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Innovating from Within

In spite of the recent economic downturn, an overwhelming 93% of global CEOs interviewed by Accenture for the United Nations Global Compact CEO Study 2010 believe that sustainability issues will be critical to the future success of their business. New research from Cranfield's Doughty Centre for Corporate Responsibility investigates the role of a new breed of corporate animal - the social intrapreneur - who is determined to channel business strengths and market skills to tackle global sustainability challenges, in ways that are profitable for the company.

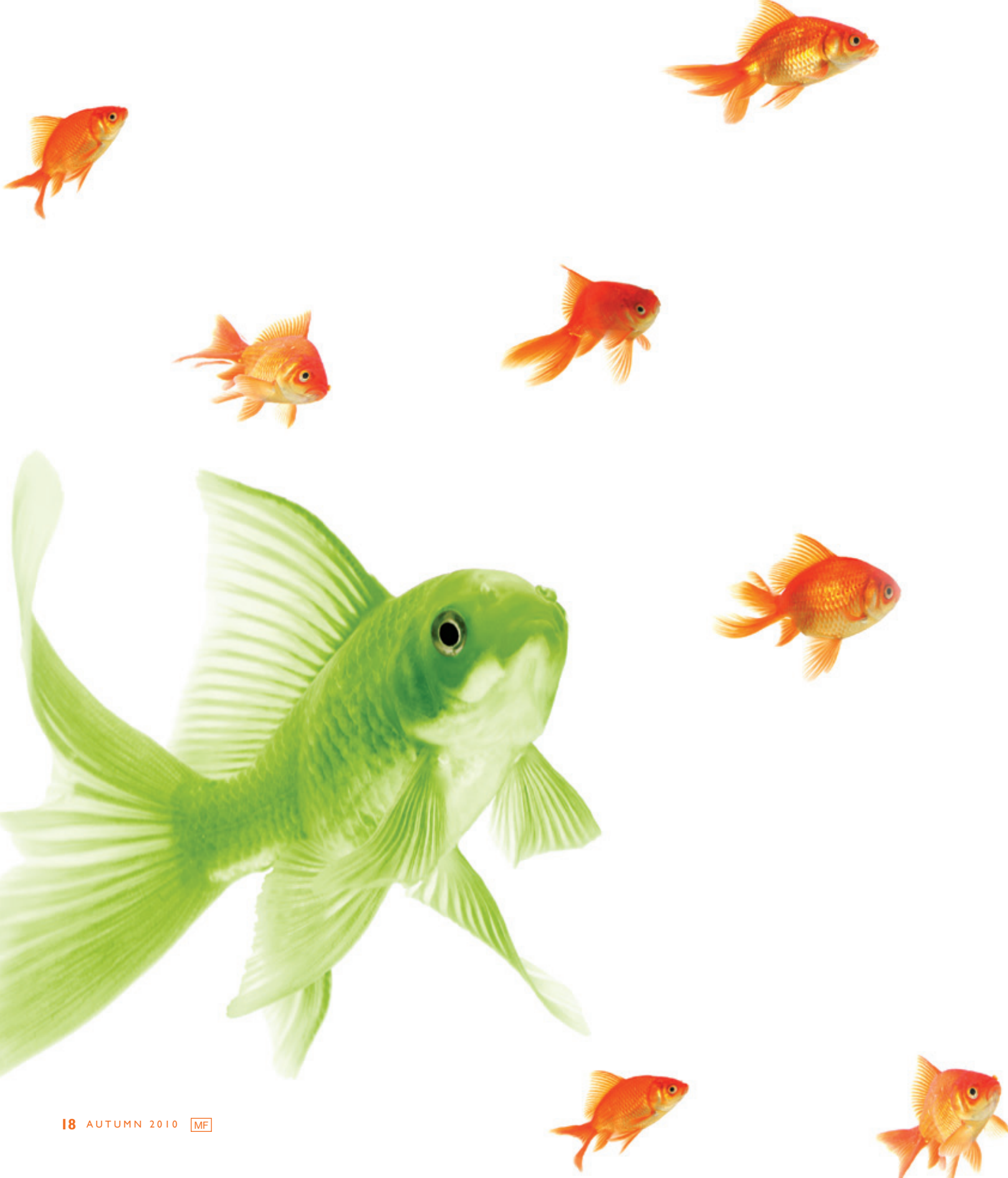
Social intrapreneurs, described as 'people within large corporations who take direct initiative for innovation which addresses social or environmental challenges profitably' were the subject of a recent study by the Doughty Centre. Researchers examined the contribution that social intrapreneurs make to business, the environment and society at large. Social intrapreneur Gib Bulloch at Accenture explains: "Affecting even small change in large organisations can lead to significant positive social impact."

“ There is a new breed of corporate animal - the social intrapreneur - who is determined to channel business strengths and market skills to tackle global sustainability challenges, in ways that are profitable for the company. ”

In contrast to social entrepreneurs, social intrapreneurs can leverage existing infrastructures and organisational capabilities to deliver social value. Unlike corporate volunteers, corporate responsibility champions or green team members inside companies, social intrapreneurs pursue social and environmental goals, while at the same time generating a profit for their employers.

Nick Hughes and Susie Lonie from Vodafone are examples of social intrapreneurs. They leveraged Vodafone's expertise in telecommunications and technology to provide banking solutions to the people of Kenya who had no bank account; making their financial life easier and more secure with a service called M-PESA which enabled customers to complete simple financial transactions by mobile phone.

Another social intrapreneur, Hugh Saddington, works for the Australian telecommunications company, Telstra. In his spare time, he successfully created a carbon calculator for Telstra clients which shows how much money and carbon can be saved by using various Telstra services such as video-conferencing. Telstra sold more services as a result.



We have met social intrapreneurs from a range of sectors including: financial services, engineering, media, energy, logistics and retail. They all seem to have a similar mindset which values sustainability and which is able to combine business and social purpose and find social value. Key behaviours are: persistence and self-belief, a hunger for continued learning and a capacity for outreach – frequently reaching out to the communities or environments where they want to make a difference.

Social intrapreneurs also appear skilled at working in partnership with others both inside and outside their organisations. It is their combination of entrepreneurship, communication skills and a deep knowledge of their business which helps them to gain the trust of their employer. This trust is the basis for being allowed to experiment with new ideas and is critical to gaining the support of key corporate decision-makers who determine the strategy and have the power to invest resources in social innovation projects. Social intrapreneurs have an ability to find and inspire champions to support them and sponsors to sanction resources.

Companies need to consider creating an 'enabling environment' for social intrapreneurship, as a key milestone on the journey to embedding sustainability and empowering all employees to treat sustainability as part of their day-jobs. Managers need to give employees permission and genuinely empower them to take the initiative. By regularly emphasising the importance of sustainability to the business and promoting positive examples of social intrapreneurs; employees are more likely to be inspired to take action.

Establishing green teams and similar initiatives can create opportunities for employees to 'test the waters' as would-be social intrapreneurs.

More sophisticated approaches involve making social intrapreneurship an integral part of talent development and innovation. Google allow employees to spend a designated amount of their work-time, pursuing their own ideas for projects which could benefit the company. Wal-Mart aims to get all their two million employees to have PSPs: Personal Sustainability Projects.

Such a commitment could be promoted by offering modest Research and Development funds to employees to enable them to 'buy-out' some of their own time to work up a social intrapreneurship proposal; or to fund other costs associated with testing out ideas. This could be staged payments, so that only the most commercially promising projects and those with the greatest positive societal impact come through to secure larger financing for launch and subsequent expansion. Vodafone, for example, now encourage employees to bid competitively for internal innovation funds. Marks and Spencer has a similar fund for employees to bid for, to help with implementation of their ambitious extension of Plan A to make M&S the most sustainable global retailer by 2015.

Another mechanism could be for business development and corporate responsibility functions to regularly brainstorm ideas for corporate social opportunities (new products and services, access to new or underserved markets, new business models which have positive environmental and social impact); and publicise these ideas internally. Part of the job description of the volunteer sustainability champions in KPMG Canada, is to find and encourage social intrapreneurs. Supporting social intrapreneurs could become one way for line-managers to fulfil a Key Performance Indicator (KPI) around innovation, talent, new business development and sustainability.

Social intrapreneurs do not operate in a vacuum. Social innovator Maggie Brenneke refers to this as the 'eco-system' where social intrapreneurs are surrounded by a number of other archetypes e.g. catalysts, mentors, champions, funders, technical experts. The same person may fulfil several of these roles. A Corporate Responsibility department may play some or all of these roles.

A number of companies now have experiential learning programmes designed to increase awareness of societal challenges and opportunities: PricewaterhouseCoopers have their Ulysses global leadership development programme which includes an eight-week project where multi-cultural teams work in developing countries in collaboration with social organisations.

GlaxoSmithKline (GSK) has initiated PULSE to empower high-performing employees to work full-time for 3-6 months with a partner non-governmental organisation.

Corporations interested in social intrapreneurship need to think about providing a good environment in which social intrapreneurs can develop and test their ideas. Crucial for their success is senior management sponsorship so that they can develop and implement solutions that both benefit the company and create positive social and environmental impact. MF

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This article is based on a Doughty Centre research project being conducted by Professor David Grayson CBE, Melody McLaren and Dr Heiko Spitzack.